

II. Rejection Under 35 U.S.C. Section 103

In paragraph 3 of the office action, claims 17-51 are rejected under 35 U.S.C. Section 103(a) as unpatentable over D'Agostino in view of Smith. The Examiner asserts that D'Agostino's customer terminal 14 in Fig. 2A and representative terminal 12 in Fig. 2B satisfy the claimed element "*video display systems.*"

The Examiner takes the position that D'Agostino's customer terminal is capable of operating in a video image display mode or a menu display mode, citing column 6, lines. 49-56 (D'Agostino patent) to support her position. Applicant respectfully submits that the D'Agostino patent is different from the claimed invention in several ways.

First, as the Examiner recognizes, D'Agostino lacks disclosure of communicating a dynamic, full-motion video. Nor does it recognize the desirability of communicating dynamic, full-motion video.

Second, the D'Agostino's patent describes its representative terminal as a central or host terminal, which "*seizes control of the customer terminal*" and then causes a "*digitized video image of himself to appear on the display of the customer terminal.*" The D'Agostino patent further indicates that a representative "*will cause a menu to appear on the display of the customer terminal.*" In contrast, the claims require a commercial transaction communication system (central system) for selectively enabling video communications between at least one vendor and at least one buyer (located at different remote terminals).

Third, the Examiner points to an input device (D'Agostino's keyboard 46) to satisfy Applicant's claimed format switch. The claimed format switch is adapted to selectively couple the vendors and buyers in an interoperable manner to effect video selection in a selected video format. Applicant respectfully submits that an interface device such as a keyboard does not perform the functionality described here.

The Examiner relies on Smith for a disclosure of "*direct, real-time, point-to-point video communication,*" indicating that it teaches the desirability of including a camera to provide this aspect. Applicant respectfully submits that even if Smith did teach this aspect, a combination with D'Agostino would still not result in the claimed invention for the reasons urged above.

Specifically, with respect to the dependent claims, Applicant submits that they also are distinct at least for the reasons urged above with respect to the base claim. As for the Examiner

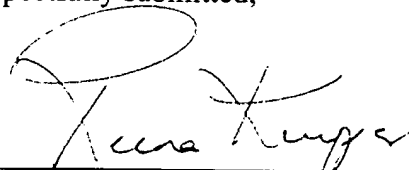
taking Official Notice, Applicant requests the Examiner to provide a reference that shows the aspects claimed by those claims.

Applicant respectfully requests the Examiner to withdraw her rejection under 35 U.S.C. Section 103 of the claims here.

Respectfully submitted,

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MARKED-UP VERSION: (indicating the amendments to the claims)

25. (Amended) The commercial transaction system of claim 17 further including an audio system for provision of audio to said possibly interested buyer in combination with a high resolution still image.

39. (Amended) The commercial transaction communication system of claim 17 further comprising:
a text system for provision of text data including commercial transaction data.